

Request for City Council Committee Action From the Department of Public Works

Date: November 17, 2003

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Subject: Acceptance of an Easement from MHP-Clinton Avenue, LLP

Recommendation: Authorizing the acceptance of easements from the MHP-Clinton Avenue LLP over portions of Lot 1, Block 12, Jackson Daniels and Whitneys Addition to Minneapolis.

Previous Directives: Resolution No. 2003-208. Vacation of Air and Subterranean Easements of a Public Alley. Vacation No. 1402

Prepared by: Dennis Morris, Right of Way Supervisor, 673-3607

Approved by:

Klara A. Fabry, P.E. City Engineer, Director of Public Works

Presenters: Dennis Morris, Engineering Services

Financial Impact (Check those that apply)
X No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
Action requires an appropriation increase to the Capital Budget
Action requires an appropriation increase to the Operating Budget
Action provides increased revenue for appropriation increase
Action requires use of contingency or reserves
Other financial impact (Explain):
Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information:

We have been working with MHP-Clinton Avenue, LLP (The Developer) to resolve issues that have complicated the Developers construction of a multi-unit Condominium development at 18th St E and Clinton Ave S. At issue are underlying easements to the title of the land retained when the State of Minnesota sold the land to a private party. That individual then sold the land to the Developer for construction of the condominium development.

Both the State and the City have sewer and storm drain infrastructure that runs beneath the easterly 34.5 feet of the land. There is also a major access shaft into the State/City storm tunnel that lies approximately 60 to 70 feet below grade. In order to obtain sufficiently clear title to the parcel, the State had to partially release some of its easement rights over the easterly

34.5 feet of the parcel. In conjunction with that release, the Developer had to grant the City a new easement over the same parcel for our easements that co-existed with the State easement.

Although it may appear confusing, the trading of easements between the Developer, State and City ultimately results in essentially the same situation that had previously existed. The net result being the Developer is able to present their lenders and title insurers with an unencumbered land title and the City and State maintaining their existing infrastructure and easement rights.

There are no costs to the City for the rearrangement of these easement rights.

Exhibit A – Lot map.

Cc: Carla Pederson, Atty. for MHP-Clinton Avenue LLP